



Port operations, intermodal freight and storage

OVERVIEW

Port operations, intermodal freight and storage are key growth sectors for the Townsville economy.

As a sector, transportation, postal and warehousing currently contributes \$635 million (around 7%) to Townsville's Gross Regional Product (GRP). The industry also provides nearly 4,500 jobs, employing over 5% of the Townsville workforce.

The Port of Townsville is the region's major sea link. The port exports the vast mineral wealth of the North West Minerals Province and North Queensland's extensive agricultural produce. The port also imports vital inputs and consumables for regional industry and the community.

Strategically located in relation to key Asian and global markets, the Port of Townsville is Australia's largest copper, zinc, lead and sugar export port and one of the most diverse commodity ports in the country.

The Port of Townsville generated operating revenue of \$72.3 million over 2013/14, with a total trade volume of 10.8 million tonnes.

The major import and export categories (by weight over 2013/14) were:

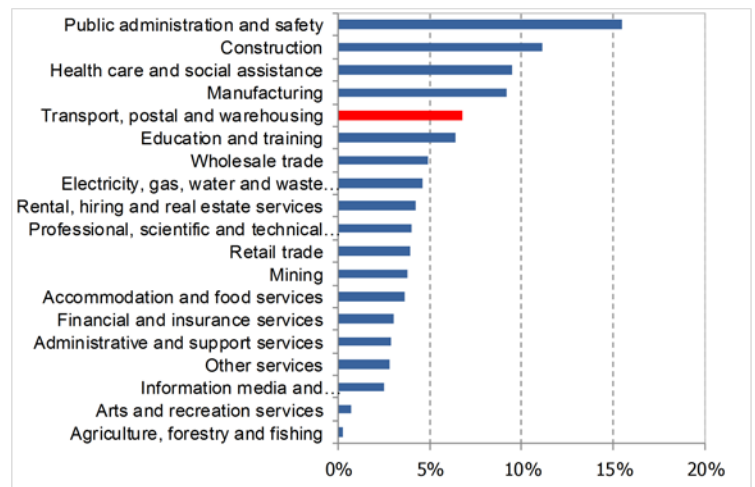
Imports:

- Nickel ore 56%
- Petroleum products 19%
- Cement 9%.

Exports:

- Metal concentrates 36%
- Sugar 17%
- Fertiliser 14 %
- Refined smelted metals 13%.

Figure 1: Industry % contribution to GRP (2012/13)



Note: Estimates based on industry contribution to GRP excluding ownership of dwellings and net taxes.
Source: AEC

FUTURE GROWTH

The Port of Townsville is undertaking significant expansion in order to facilitate future growth. Key works to date include upgrades to accommodate cruise ships to Townsville, expand live cattle exports, and enhance the capacity of the port to support major Australian Defence Force (ADF) activities.

The port has established a Memorandum of Understanding with the Chinese Port of Huizhou, including a direct shipping arrangement and live cattle access.



Other key developments for the Port of Townsville include:

- expansion to include six additional berths and 100 ha of reclaimed land
- development of Berth 12, which will increase port capacity substantially and enable access for Panamax sized vessels.

The Townsville State Development Area (TSDA) lies across the intersection of major rail and road routes in close proximity to the Port of Townsville.

Leveraging its key strategic transport corridor location, the TSDA is expanding to establish itself as a major intermodal freight, logistics and storage hub.

Key target areas include regional warehousing, logistics and distribution operations. This includes supply for supermarkets, large retail and department stores.

Global resources company Glencore recently lodged an application to develop 81 ha of land within the TSDA to accommodate uses requiring type-2 road-train access directly to the Port of Townsville.

Port operations, intermodal freight and storage will be a key component of Townsville's future economic growth. Regional trade is expected to treble over the next 20 years, driven by a recovering resources sector, strong longer-term outlook for agriculture, and a growing regional population base and economy.

MORE INFORMATION



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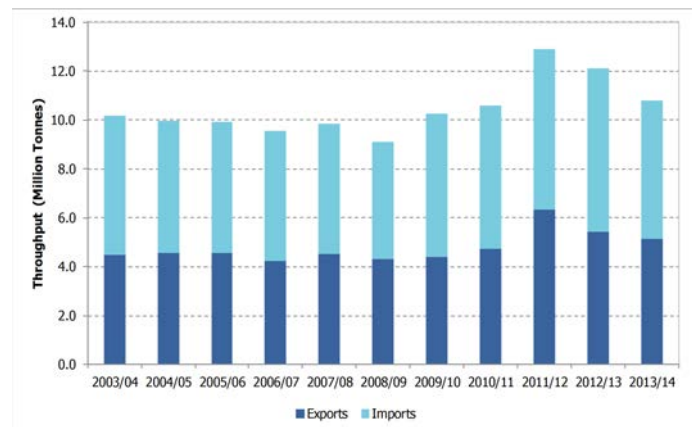


investtownsville@townsville.qld.gov.au



www.townsville.qld.gov.au

Figure 2: Townsville Port throughput



Source: Port of Townsville Limited (2015)